

SENATE BILL 853

Unofficial Copy  
Q1

2004 Regular Session  
4r2946

---

By: **Senators Miller, Astle, Currie, DeGrange, Lawlah, and Middleton**  
Introduced and read first time: February 20, 2004  
Assigned to: Rules

---

A BILL ENTITLED

1 AN ACT concerning

2                                   **Property Tax Exemption - Property Used to Generate Electricity, Steam, or**  
3                                   **Hot or Chilled Water**

4 FOR the purpose of repealing a partial exemption under the property tax for  
5 machinery and equipment used to generate electricity or steam for sale or hot or  
6 chilled water for sale that is used for certain purposes; providing for the  
7 application of this Act; and generally relating to the property taxation of certain  
8 property used to generate electricity, steam, or hot or chilled water.

9 BY repealing  
10 Article - Tax - Property  
11 Section 7-237  
12 Annotated Code of Maryland  
13 (2001 Replacement Volume and 2003 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
15 MARYLAND, That the Laws of Maryland read as follows:

16                                   **Article - Tax - Property**

17 [7-237.

18 (a) Except as provided in subsection (b) of this section, personal property is  
19 exempt from property tax if the property is machinery or equipment used to generate:

- 20                   (1) electricity or steam for sale; or  
21                   (2) hot or chilled water for sale that is used to heat or cool a building.

22 (b) Personal property that is machinery or equipment described in subsection  
23 (a) of this section is subject to county or municipal corporation property tax on:

- 24                   (1) 75% of its value for the taxable year beginning July 1, 2000; and  
25                   (2) 50% of its value for the taxable year beginning July 1, 2001 and each  
26 subsequent taxable year.]

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 June 1, 2004, and shall be applicable to all taxable years beginning after June 30,  
3 2004.